

A BILL TO BE ENTITLED

AN ACT

relating to the imposition of a fee for money transmissions sent to a destination outside the United States and to the use of the revenue for border security purposes.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle Z, Title 3, Finance Code, is amended by adding Chapter 279 to read as follows:

CHAPTER 279. MONEY TRANSMISSION FEE

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 279.001. DEFINITIONS. In this chapter:

(1) "Money" or "monetary value" has the meaning assigned by Section 151.301.

(2) "Money transmission" means receiving money or monetary value to transmit the money or monetary value by wire, computer modem, facsimile, or other electronic means or through the use of a financial institution, a financial intermediary, the federal reserve system, or another funds transfer network.

(3) "Money transmission business" means a person engaging in money transmission as a service or for profit.

[Sections 279.002-279.050 reserved for expansion]

SUBCHAPTER B. FEE ON CERTAIN MONEY TRANSMISSIONS

Sec. 279.051. FEE ON TRANSMISSIONS TO DESTINATIONS OUTSIDE THE UNITED STATES. (a) A money transmission business shall charge a fee on a money transmission of \$5,000 or less that originates in

1 this state and is transmitted to a destination outside the United
2 States. The amount of the fee is 10 percent of the total amount sent
3 by the money transmission.

4 (b) The money transmission business shall:

5 (1) collect the fee from the person directing or
6 requesting the business to make the transmission; and

7 (2) remit the fee to the comptroller at the times and
8 in the manner prescribed by the comptroller.

9 (c) The comptroller shall deposit the revenue received
10 under this section to the credit of the border security account. The
11 border security account is an account in the general revenue fund.
12 Money in the account may be appropriated only to the governor's
13 office for programs and initiatives to secure this state's
14 international border.

15 Sec. 279.052. REFUND OF FEE. (a) A United States citizen
16 or another person who is lawfully present in the United States is
17 entitled to apply to the comptroller for a refund of a fee charged
18 under Section 279.051.

19 (b) The application for the refund must:

20 (1) be made in the manner provided for a claim for
21 refund under Chapter 111, Tax Code, and on the form prescribed by
22 the comptroller;

23 (2) have attached a fee receipt issued by the money
24 transmission business showing full payment by the applicant of the
25 fee for which the refund is sought;

26 (3) be filed not later than the 90th day after the date
27 the fee for which the refund is sought is paid;

1 (4) include the documentation required by Subsection
2 (c) or a copy of a letter of qualification and the statement
3 described by Section 279.053; and

4 (5) contain a statement signed by the applicant that
5 the applicant either is a United States citizen or is not a United
6 States citizen but is lawfully present in the United States.

7 (c) Except as provided by Section 279.053, a person must
8 submit at least two of the following documents with an application
9 for a refund under this section:

10 (1) a certified copy of the person's birth certificate
11 indicating that the person is a United States citizen;

12 (2) a certified copy of a document issued by the United
13 States government indicating that the person:

14 (A) is a United States citizen; or

15 (B) is not a United States citizen but is
16 lawfully present in the United States;

17 (3) a copy of a current driver's license or personal
18 identification card issued to the person by the Department of
19 Public Safety or a similar document issued to the person by an
20 agency of another state; or

21 (4) a copy of the person's social security card.

22 Sec. 279.053. LETTER OF QUALIFICATION. On receipt of an
23 application for an initial refund under Section 279.052, the
24 comptroller shall determine whether the applicant is eligible for
25 and has satisfied all requirements for receipt of the refund. If
26 the comptroller makes that determination, the comptroller shall,
27 before paying the refund, promptly issue to the applicant a letter

1 of qualification stating that the person has fully satisfied all
2 requirements for receipt of a refund under this section. For any
3 subsequent application for a refund filed under Section 279.052,
4 the applicant, in lieu of submitting the documentation required by
5 Section 279.052(c), may submit to the comptroller a copy of the
6 letter of qualification and a statement that information contained
7 in the documentation the applicant submitted under Section
8 279.052(c) for receipt of an initial refund has not changed in any
9 material respect.

10 Sec. 279.054. RULES. The comptroller shall adopt any
11 necessary rules for the imposition, administration, payment,
12 collection, enforcement, and refund of the fee imposed by Section
13 279.051.

14 SECTION 2. The fees imposed under Subchapter B, Chapter
15 279, Finance Code, as added by this Act, apply only to money
16 transmissions that occur on or after October 1, 2007.

17 SECTION 3. Not later than October 1, 2007, the comptroller
18 shall adopt rules as necessary to implement Chapter 279, Finance
19 Code, as added by this Act.

20 SECTION 4. This Act takes effect immediately if it receives
21 a vote of two-thirds of all the members elected to each house, as
22 provided by Section 39, Article III, Texas Constitution. If this
23 Act does not receive the vote necessary for immediate effect, this
24 Act takes effect September 1, 2007.